



Georgia Sales and Use Tax Informational Bulletin

June 15, 2011

This is to advise you of the status of this quarter's distribution of Pro Rata sales and use tax payments.

This quarterly pro rata payment includes the last payment of the suspended unidentified pro rata sales tax payment period from January 1, 2008 through May 4, 2009.

Approximately \$4.3M in local government sales and use tax payments, inclusive of the suspended payment period, were processed as unidentified sales and use tax payments to be subject to a pro rata distribution. Subsequent to the May 25, 2011 sales and use tax payment monthly distribution, approximately \$4.1M in adjustments to local governments were processed by the Department. Those adjustments were the result of resolving a reporting payment error by several large vendors.

The \$4.1M had been previously disbursed to local governments in prior quarterly pro rata distributions. The adjustments require the Department to offset a like amount from the current pro rata distribution. The local governments due the \$4.1M will receive a positive adjustment in the next regular sales and use tax distribution.

This pro rata payment will reflect approximately \$212,000.00 being remitted to local governments.

As anticipated, the present integrated tax system (ITS) is significantly reducing the unidentified sales and use tax payments. ITS now allows for monthly adjustments to all sales and use accounts for erroneous or unidentified sales and use tax payments that are later identified. This will result in the counties timely receiving their appropriate sales tax monies and reducing substantially the tax payments to be pro rated. The 90 day aging of unidentified sales and use tax payments is 87% lower than it was in March 2010.